REMARKS

Claims 31 and 42 have been amended. Claims 31-34 and 42-45 are active in this application.

The Office Action mailed November 05, 2002, has been carefully reviewed.

Reconsideration of the rejection is respectfully requested in view of the amendments and remarks herein.

Summary of the Office Action

References to paragraphs in the subject office action are referred to herein in parentheses identifying the appropriate paragraph, e.g. (para. x).

Responsive to Applicant's amendment of 31 July 2002, the Examiner has withdrawn rejections to the drawings, objections to certain cancelled claims and rejections under 35 USC §112 to certain cancelled claims.

Claims 31-33 and 42-44 stand rejected under 35 U.S.C. 103(a) as unpatentable over Katz et al. (U.S. 6,055,513) in view of Sixtus (U.S. 5,903,721) and Official Notice (paras. 8 & 9). Claims 34 and 45 stand rejected under 35 U.S.C. 103(a) as unpatentable over Katz et al. in view of Sixtus, Official Notice and Linden et al. (U.S. 6,266,649) (para. 10).

Status of Claims 31 and 42

Claims 31 and 42 are method and means plus function claims, respectively, otherwise containing generally the same limitations. Claims 31 and 42 have each been amended to add the limitations of a plurality of incentives being provided the customer

by the first merchant and the determination of the incentive selected by the customer. A reason code including information relating to the selected incentive is transmitted to the second merchant for use in displaying an offer. No new matter has been added and these amendments find support in Applicant's specification. See pages 27-29.

Applicants' Comments

Applicants have carefully reviewed the Examiner's rejections and submit that the outstanding rejections are most in view of the amendments and remarks herein.

In claims 31 and 42, Applicant has recited a transaction wherein a plurality of incentives is offered to a customer for completing a sales transaction with a first merchant. Applicants have further recited the determination of a selected incentive and a transmission by the first merchant to a second merchant including a reason code including information relating to the selected incentive. The offer by the second merchant is determined according to data associated with the reason code, i.e. the selected incentive. In the invention taught and claimed by Applicants, the customer is primed with a selection of incentives to complete the first transaction. The offer displayed by the second merchant is based on the incentive selected by the customer.

The Examiner has characterized and applied Katz et al. as showing "an incentive" for completing a sales transaction as claimed by Applicant. Applicant respectfully submits that Katz teaches only a first sale followed by an offer for an upsell. Katz does not show or suggest the use of an incentive to consummate the first sale, much less the claimed plurality of incentives. Further, while the Katz et al. upsell is linked to the first

transaction, Katz does not show or suggest the selection of an upsell based on an incentive selected by the customer in the first sale.

The Examiner states as of notice that "completing a commercial transaction, by a second vendor, based on marketing data submitted by a first vendor is old and well known in the art." (para. 9) This still does not teach the use of an incentive to motivate the first transaction and to facilitate the second transaction as taught and claimed by Applicant.

The Examiner states as of notice that "it would have been obvious to one of ordinary skill in the art, to modify Katz to include the...step of completing a commercial transaction, by a second vendor, based on marketing data submitted by a first vendor..." (para. 9). While this may be true, it does not show or suggest Applicant's claimed invention including incentives as described above. Neither does it show or suggest Applicant's claimed invention wherein the offer by the second merchant is displayed to the customer using the electronic address provided by the first merchant while the customer is still connected to the first merchant.

Sixtus has been cited as pertinent to details of encryption, SKU number usage and the like and adds nothing regarding the distinctions discussed above.

The remaining art cited by the Examiner appears to show nothing of relevance to the invention as currently claimed.

Claims 32-34 and 43-45 are submitted to be allowable as dependent from allowable claims.

CONCLUSION

In view of the foregoing, it is respectfully submitted that the pending claims are in condition for allowance. Applicants respectfully request the withdrawal of the outstanding rejections and the timely allowance of the active claims.

If there are any other fees due in connection with the filing of this response, please charge the fees to our Deposit Account No. 50-0310.

The Examiner is invited to contact the undersigned at 215-963-5091 to discuss any matter concerning this application.

Respectfully submitted,

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Marked Up Version Showing Changes Made To Claims

Claim 31. (amended) A method of facilitating online transactions based upon interactions between customers and merchants, comprising:

providing by a first merchant online to a customer <u>a plurality of incentives</u> for completing a sales transaction with the first merchant;

determining an incentive selected by the customer in the sales transaction; transmitting a reason code and a customer identifier from the first merchant to a second merchant indicating that the customer has completed the sales transaction with the first merchant, the reason code including an electronic address for communicating with the customer and information relating to the customer and to the selected incentive;

displaying, by the second merchant using the electronic address, an offer to the customer, graphically on-line, the offer selected according to data associated with the reason code, the offer displayed while the customer is still connected to the first merchant;

receiving online by the second merchant an acceptance of the offer from the customer;

establishing by the second merchant an electronic communication connection with the first merchant;

sending from the second merchant to the first merchant the customer identifier; sending, from the first merchant to the second merchant responsive to the customer identifier, customer payment information; and

processing by the second merchant the acceptance using the customer payment information.

Claim 42. (amended) A system for facilitating online transactions based upon interactions between customers and merchants, comprising:

means for providing by a first merchant online to a customer <u>a plurality of</u>
<u>incentives</u> for completing a sales transaction with the first merchant;

means for determining an incentive selected by the customer in the sales transaction;

means for transmitting a reason code and a customer identifier from the first merchant to a second merchant indicating that the customer has completed the sales transaction with the first merchant, the reason code including an electronic address for communicating with the customer and information relating to the customer and to the selected incentive;

means for displaying, by the second merchant using the electronic address, an offer to the customer, graphically on-line, the offer selected according to data associated with the reason code, the offer displayed while the customer is still connected to the first merchant;

means for receiving online by the second merchant an acceptance of the offer from the customer;

means for establishing by the second merchant an electronic communication connection with the first merchant;

means for sending from the second merchant to the first merchant the customer identifier;

means for sending, from the first merchant to the second merchant responsive to the customer identifier, customer payment information; and

means for processing by the second merchant the acceptance using the customer payment information.